

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512



July 26, 2007

Mr. Tony Chapman
Sportsmen Yacht Club
3301 Wilbur Avenue
Antioch, CA 94509

RE: Comment letter on the Staff Analysis for the Dry Cooling petition for the Gateway Generating Station (00-AFC-1C)

Dear Mr. Chapman;

Thank you for your letter on the Energy Commission Staff Analysis for the Pacific Gas and Electric (PG&E) Gateway Generating Station petition to use dry cooling.

Staff has reviewed your letter and determined that the best manner to address your concerns was in the enclosed point-by-point discussion. The Energy Commission staff has recognized the concerns previously brought forth by the Sportsmen Yacht Club. On March 14, 2007, Staff met with the former Commodore of the Sportsmen Yacht Club, Chuck Carroll, and discussed the proposed changes to the project, and heard and considered those concerns he believed should be addressed in the Staff Analysis. As a result of this meeting, the line of trees was extended to the south to increase the visual screening of the air cooled condenser.

Your comment letter and this response by staff have been provided to the Commissioners for review; however, any potential increases in environmental impacts over the originally approved project have been addressed. Although the item will remain on the agenda for the August 1, 2007 business meeting, you are invited to participate in the business meeting and present any concerns to the Commissioners prior to their decision.

For further information on how to participate in this proceeding, please contact the Energy Commission's Public Adviser's Office, at (916) 654-4489, or toll free in California at (800) 822-6228, or by e-mail at pao@energy.state.ca.us. If you require special accommodations, please contact Lourdes Quiroz at (916) 654-5146.

Sincerely,

ORIGINAL SIGNED

Christopher Meyer
Compliance Project Manager

enclosure

AIR QUALITY

SPORTSMEN YACHT CLUB (SPORTSMEN) COMMENTS DATED JULY 24, 2007

SPORTSMEN COMMENT-1: “Air Quality, AQ-45; Since an increase in drift rate is being proposed. Am I to believe there will be a plume coming from the WSAC? How far will a 0.003% drift be away from the structure? Will this drift be landing on vehicles entering or leaving San Joaquin Yacht Harbor and Sportsmen Yacht Club? The driveway to them will be directly down wind from the structure given the operation schedule.”

STAFF RESPONSE: The wet surface air cooler (WSAC) for the closed cycle cooling system is located on the opposite side of the air cooled condenser (ACC) from the Sportsmen Yacht Club and will only be operating during hot summer days when a plume and drift are negligible. Staff reviewed the potential for impacts from any drift as part of the petition and determined that there are no significant impacts with the elimination of the wet cooling tower.

BIOLOGICAL RESOURCES

SPORTSMEN COMMENT-2: “Biological Resources, Conclusions and Recommendations; We also support the elimination of increased use of Delta Water for Industrial Uses, But the elimination of the Aquatic Filter as a condition for building this plant is a dramatic blow to the improvement of bio condition relating to the continued operation of Units 6 & 7. Many people were able to support the Unit 8 plant solely on its link to improved entrainment conditions that it would bring to current operations. Without these conditions on Unit 8 operation, what assurance can the Energy Commission give the San Joaquin Delta stakeholders that the entrainment of millions of eggs and fish by Power plants will be reduced?”

STAFF RESPONSE: Although only Contra Costa Power Plant Unit 8 is under the jurisdiction of the Energy Commission, in 2006, staff worked closely with the California Department of Fish and Game (CDFG), U.S. Fish and Wildlife Service, National Marine Fisheries Service, and the U.S. Army Corps of Engineers to determine what actions were being taken to protect the Delta smelt from impacts related to the operation of Contra Costa Power Plant Units 6 & 7. When PG&E was added as an owner to the Contra Costa Power Plant Unit 8 Project, the Energy Commission directed PG&E to pursue alternative cooling technologies that avoided impacts to the aquatic environment. The CDFG continues to work with Mirant on addressing impingement and entrainment issues related to Units 6 & 7. However, staff and the resource agencies subsequently determined that the aquatic filter barrier was inappropriate due to the failure of similar systems in waterways with any significant flow, debris, or algae growth.

SOIL AND WATER RESOURCES

SPORTSMEN COMMENT-3: “Soil and Water, Water Supply; In light of the fact that City of Antioch and PG&E are courting one another for Annexation into City Limits, Have all Staff Disciplines reviewed the changes in LOR's will have on this project?”

STAFF RESPONSE: It is the understanding of the Energy Commission staff that neither PG&E nor Mirant are petitioning the City of Antioch for annexation into the city limits. Nonetheless, the project has been reviewed and permitted by the Energy Commission based on the current jurisdictional boundaries and under that permitting authority of the Energy Commission.

VISUAL RESOURCES

SPORTSMEN COMMENT-4: “Visual Resources, Assessment of Impacts and Discussion of Mitigation; “The original AFC for the proposed project identified vapor plumes as a significant visual impact.” Am I correct that vapor plumes from wet cooling towers are minimal during hot dry summer time conditions? Given that PG&E plans to only run this plant during those times of the year (Ref; Air Quality Page 6). Why are we viewing minimal plumes for 2 Months a year comparable with a behemoth Structure that is present 24/7 365 days a year? Is it a requirement of “Dry Cooling” Towers to be so tall? Can same cooling be done on wider footprint with shorter heights?”

STAFF RESPONSE: The original project was approved for operation year-round and PG&E would have operated the wet cooling tower in conditions that could lead to significant vapor plumes, not just during the summer months. The change to an air cooled condenser eliminates the significant visual plumes and the use of the WSAC during conditions when the ambient temperature is above 80 degrees will mitigate visual plumes from that source. Air cooled condensers require air flow from the base, through the structure and out the top exhaust. The structure must be tall to prevent the heated exhaust air from being reintroduced into the intake which would reduce, or even defeat, the heat rejection ability of the dry cooling tower.

SPORTSMEN COMMENT-5: “Visual Resources, Cumulative Impacts and Mitigation; “The spacing proposed is not sufficient to create an adequate berm;” therefore the berm is not part of the proposal.” Since CEC had to condition a movement of the project site to adequately allow for mitigation measures (Ref Commission Decision March 2001 Page 2) the claim that there was no room allowed for the mitigation measures is insulting! The berm was viewed as also having noise reducing properties. Have “Noise and Vibration” reviewed this?”

STAFF RESPONSE: The project was moved to the south to reduce the visual impact to the Sportsmen Yacht Club, but the clearance between the fence and the facility remained constant. Staff also determined that the elimination of the berm would decrease erosion prevention and sediment control concerns, as well as allowing the trees to be planted within reach of the water table – eliminating the need for potable

water use for irrigation. Staff determined that the relationship between the berm, sensitive receptors, and the noise producing equipment negated any noise mitigating benefits of the berm.

SPORTSMEN COMMENT-6: “Visual Resources, Cumulative Impacts and Mitigation, Visual Resources Figure 4; The Visual simulation of Full Maturity; This simulation does not represent “Vis-4 Conditions”. It uses a 50’ simulation. Please provide simulation at the proposed height as well as with truer representation of proposed redwood trees.”

STAFF RESPONSE: VISUAL RESOURCES-FIGURE 4 provides a simulation of the landscaped trees at full maturity. The trees are not representative of the redwood species, but an evergreen ash, that the applicant recommended as part of their application submittal. As provided in the VIS-4 condition, the applicant has been given the choice of evergreen tree species that are rapid growth and provide adequate leaf management. The need for an additional simulation to represent a 30-foot tree height requirement was not necessary as the current simulations provide an adequate height indicator. The height of the trees in the five-year tree growth simulation is approximately 15 feet. At maturity, the trees would adequately screen the major components of the existing Contra Costa and proposed Gateway power plants.

SPORTSMEN COMMENT-7: “Visual Resources, Cumulative Impacts and Mitigation, Conclusion #2; “No plumes would occur” Air Quality page 7 proposes drift eliminators allowing greater drift. Would Vis-7 protect roads and driveways against drift?”

STAFF RESPONSE: With the elimination of the wet cooling tower, staff has reviewed the potential for drift and determined that any drift from the WSAC would be minimal, if present at all, and would be located on the far side of the air cooled condenser from the Sportsmen Yacht Club and driveway. Furthermore, any drift from the WSAC would be insignificant compared to airborne salt deposits from the adjacent San Joaquin River, and would not be noticeable on the road or driveways.

SPORTSMEN COMMENT-8: “Visual Resources, Cumulative Impacts and Mitigation, Conclusion #3; Why is “San Joaquin Yacht Club” being discussed? As KOP-4 of Staff Report March 2001 Page 276 & Figure 8a can confirm that “San Joaquin Yacht Harbor” is without a doubt your most immediate KOP.”

STAFF RESPONSE: The Sportsmen Yacht Club is immediately adjacent to the Gateway Project, therefore considered the most immediate KOP to the Gateway project. You are correct as to the location of the San Joaquin Yacht Harbor, and all reference to KOP-4, and its subsequent analysis in the 2001 visual analysis should remain as part of the written testimony.

SPORTSMEN COMMENT-9: “Visual Resources, Conditions of Certification, Vis-4,d.; “irrigated until a height of 15’ is achieved” How long will it take an un-irrigated 15’ tree to reach maturity height? Staff Report of March 2001 proposed planting 15’ tall trees, now we are not even watering them?”

STAFF RESPONSE: During inspections of the site during excavations, staff has determined that the area of the Gateway project has a high water table because of the close proximity of the project to the San Joaquin River. It can be reasonably assumed that the tree roots have tapped into the underground water aquifer within five years of growth, thereby eliminating the need for additional watering of the trees. The trees should continue their normal patterns, because their root tap has been established. In addition, the condition of certification is success-oriented, requiring PG&E to take whatever additional measures necessary to achieve the required visual screen.

NOISE

SPORTSMEN COMMENT-10: “Noise, Noise-6 “residential receivers”; Did someone move the houses?”

STAFF RESPONSE: The changes to Condition of Certification NOISE-6 proposed in the Staff Analysis clarify the exact locations of the noise monitoring for consistency with prior noise monitoring results. The reference to “residential receivers” was replaced with the exact locations of the required monitoring, including the closest noise sensitive receptor (OML5).

SPORTSMEN COMMENT-11: “Noise, Noise-3, “5 dBA”; What changed at Sportsmen Yacht Club or any other OML that they should be subjected to more noise caused by PG&E? Mirant Delta LLC had promised to reduce the noise coming from the plant (Ref Prehearing Conference Transcript March 27, 2001), now because PG&E is involved we are faced with an increase in noise? That is unacceptable!”

STAFF RESPONSE: Correction in reference – 5 dBA limit is in Condition of Certification NOISE-6. Staff determined in the original Final Staff Assessment that the 5 dBA limit did not constitute a significant impact. Staff reviewed the transcript for the March 27, 2001 Prehearing Conference and was unable to find any reference to a noise reduction on the Contra Costa Unit 8 Project. Staff did note references in the transcript to conversations that were to be held after the closing of the prehearing conference, but has no details on the substance of these conversations. Condition of Certification NOISE- 6 in the Commission Decision incorporated the 3 dBA limit, however, the discussion in the Final Staff Analysis (FSA) supported a 5 dBA limit. Staff agrees with PG&E’s request to restore the 5 dBA limit from the FSA.